

## How to Calculate Final Compensation with EPMC\*

### Lifeguards

The City of Long Beach reports the value of the Employer Paid Member Contribution (EPMC) paid to CalPERS.

Final Compensation is your highest average full-time pay rate and special compensation during a 12 or 36 consecutive month period. The City contracts for the 12 highest consecutive months. Unless a different period is specified on your retirement application, your final compensation will be calculated based upon the 12 consecutive month period immediately preceding your retirement or separation date.

#### CALCULATION:

**Step 1:** Hourly Rate x 173 (avg hours worked per month) = **Original Monthly**

**Step 2:** Original Monthly - \$133.33 (social security offset\*\*) = **Adjusted Monthly**

**Step 3:** Adjusted Monthly x EPMC% = **Value of EPMC**

**Step 4:** Original Monthly + Value of EPMC = **New Monthly**

**Step 5:** New Monthly - \$133.33\*\* = **Final Comp**

**Skip Step 5 and proceed to Steps 6, 7, 8 and 9 only if you have changes in your hourly rate during the final compensation period you wish CalPERS to use.**

**Step 6:** New Monthly x # of months at that hourly rate = **Total**

**Step 7:** Add your totals

**Step 8:** Total ÷ 12 (Tier 1 & Tier 2) = **Avg Monthly**

**Step 9:** Avg Monthly - \$133.33\*\* = **Final Comp**

\* Employer Paid Member Contribution

\*\* The City has a modified formula (coordinated with Social Security) for lifeguards which means the City did not contribute on your behalf on the first \$133.33 of your monthly earnings.

**Special Note:** If you are using the CalPERS Retirement Calculator to run your own estimate you do not need to subtract the \$133.33 (omit steps 5 or 9). The calculator will do that for you when you answer "yes" to the question "Covered by Social Security?".